## The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

NIC #06205-85/1 20 December 1985

MEMORANDUM FOR: Distribution

FROM:

Carl W. Ford, Jr.

National Intelligence Officer for East Asia

SUBJECT:

East Asia Warning and Forecast Meeting of 18 December 1985

- 1. Representatives of the Intelligence Community met on 18 December 1985 to consider the attached subjects.
- 2. Next month's Warning and Forecast Meeting will be held on Wednesday, 22 January 1986 at 1400 hours in Room 7E62, CIA Headquarters. Recommendations for discussion/warning topics should be forwarded to this office by COB 6 January 1986.
- 3. It is essential that you telephone your attendance intentions to and have your clearances verified to us by your security office by COB 20 January 1986. Attendees from outside agencies are advised to arrive early to avoid parking problems created by construction work. Please enter the compound through Gate 1, the Route 123 entrance.

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Attachment

18 December 1985 Warning Report

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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC #06205-85 20 December 1985

MEMORANDUM FOR:

Director of Central Intelligence

Deputy Director of Central Intelligence

VIA:

National Intelligence Officer for Warning

FROM:

Carl W. Ford, Jr.

National Intelligence Officer for East Asia

SUBJECT:

18 December 1985 East Asia Warning and Forecast Meeting

## <u>Changes in Papua New Guinea</u>

OEA, and OCR, discussed the recent political changes in Papua New Guinea. The successful no confidence motion against the Somare government has allowed a five-party coalition headed by new Prime Minister Wingti to come to power. This could have significant implications for the United States. Wingti planned to reduce the size of the cabinet, but practical politics allowed him to reduce it by only three members to a total of 25, spread among the various parties. The result is a highly unstable situation. Moreover, the education and experience of the new cabinet is even less than the previous one, which averaged a 6th grade education. The ministers tend to be very erratic, with decisions being announced to the press before consultations are held. Wingti himself is not really preeminent, but does seem to be somewhat more pragmatic than most of the other ministers. Wingti was formerly a Maoist, but has become a successful businessman and seems to have no strong ideological leanings.

Papua New Guinea does have regional cleavages represented by the various parties, so the search for balance will influence political policy. A mildly simmering border problem with Indonesia--some 12,000 refugees from West Irian have filtered into Papua New Guinea and their welcome is starting to wear thin--could eventually become a problem.

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| Implications  A potential exists for statements on US ship visits that could prove difficult for the United States, similar to the New Zealand situation (though PNG is not a US ally).  | 25X1          |
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| OEA, discussed the continuing problems of the New Zealand National Party. Former Prime Minister Muldoon has continued to try to maintain his prominent role in the Party even after his ouster as leader in 1984. Moreover, the popularity of the present leader, Jim McLay, has dwindled from only about 11% in 1984 to about 2.9% now. McLay has good support in the parliamentary party, but little public support. Bolger, the deputy opposition leader, plans to challenge McLay; earlier he attempted to wrest the leadership from McClay but the effort collapsed. McLay has responded to Muldoon's divisive efforts by demoting him to the lowest seat in Parliament.  This internal infighting in the National Party has only contributed to Lange's popularity, already strengthened by his handling of the Rainbow Warrior incident. Thus, Lange remains in a strong position to remain Prime Minister and to win the 1987 elections. | 25X1          |
| New Zealand's anti-nuclear policies will be maintained for the foreseeable future. The National Party does not want to be seen as pro-nuclear; moreover, its internal bickering means that it is unlikely to mount a meaningful challenge to Lange.  |               |
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